

110TH CONGRESS
2D SESSION

H. R. 7197

To amend part C of title XVIII of the Social Security Act to limit increases in Medicare Advantage payment rates to 2 percent per year until parity achieved with Medicare fee-for-service program.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2008

Mr. GONZALEZ introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend part C of title XVIII of the Social Security Act to limit increases in Medicare Advantage payment rates to 2 percent per year until parity achieved with Medicare fee-for-service program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. LIMITATION ON MEDICARE ADVANTAGE PAY-**
 2 **MENT RATES INCREASES TO 2 PERCENT PER**
 3 **YEAR UNTIL PARITY ACHIEVED WITH MEDI-**
 4 **CARE FEE-FOR-SERVICE CAPITATION RATE.**

5 Section 1853(k) of the Social Security Act (42 U.S.C.
 6 1395w–23(k)) is amended—

7 (1) in paragraph (1)(B)(i), by inserting “, sub-
 8 ject to paragraph (5),” after “increased”; and

9 (2) by adding at the end the following new
 10 paragraph:

11 “(5) LIMITATION.—

12 “(A) IN GENERAL.—The increase to be ap-
 13 plied under paragraph (1) for an area and year
 14 (beginning with 2010) shall in no case exceed
 15 2 percent if the application of a higher percent-
 16 age would result in the applicable amount for
 17 the area and year exceeding the amount speci-
 18 fied in subsection (c)(1)(D) for the area and
 19 year.

20 “(B) FEE-FOR-SERVICE PAYMENT
 21 FLOOR.—In no case shall the application of this
 22 paragraph result in an applicable amount for an
 23 area and year being less than the amount speci-
 24 fied in subsection (c)(1)(D)(i) for the area and
 25 year.

1 “(C) EXCEPTION FOR PACE PLANS.—This
2 paragraph shall not apply to payments to a
3 PACE program under section 1894.”.

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